

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 4429
OFFERED BY MR. CAMP OF MICHIGAN

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Permanent Active Fi-
3 nancing Exception Act of 2014”.

4 SEC. 2. PERMANENT SUBPART F EXEMPTION FOR ACTIVE
5 FINANCING INCOME.

6 (a) BANKING, FINANCING, OR SIMILAR BUSI-
7 NESSES.—Subsection (h) of section 954 of the Internal
8 Revenue Code of 1986 (relating to special rule for income
9 derived in the active conduct of banking, financing, or
10 similar businesses) is amended by striking paragraph (9).

11 (b) INSURANCE BUSINESSES.—Subsection (e) of sec-
12 tion 953 of such Code (relating to exempt insurance in-
13 come) is amended by striking paragraph (10) and by re-
14 designating paragraph (11) as paragraph (10).

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to taxable years of a foreign cor-
17 poration beginning after December 31, 2013, and to tax-

- 1 able years of United States shareholders with or within
- 2 which such taxable years of such foreign corporation end.

